(i) by striking "licensed recreational vessel" and inserting "documented vessel with a recreational endorsement"; and

(ii) by striking "Such" and inserting "A recreational";

(C) by adding at the end the following new subsection:

Recreation "(c) A documented vessel operating under a recreational endorsement may be operated only for pleasure."; and

(D) in the catchline by striking "vessel licenses" and inserting "endorsements".

(10) Section 12110 is amended—

(A) by amending subsection (a) to read as follows:

"(a) A vessel may not be employed in a trade except a trade covered by the endorsement issued for that vessel."; and

(B) in subsection (c)—

(i) by striking "certificate of documentation" and inserting "endorsement";

(ii) by striking "recreational vessel" and inserting "vessel with a recreational endorsement"; and

(iii) by striking "except" and inserting "other than".

(11) Section 12112 is amended—

(1) in subsection (a), by striking "an appropriate document" and inserting "a certificate of documentation with an appropriate endorsement"; and

(2) in subsection (b), by striking "an appropriate" and inserting "a".

(12) The table of sections at the beginning of chapter 121 is amended by striking the entries for sections 12105 through 12109 and inserting the following:

"12105. Registry endorsements.
"12106. Coastwise endorsements.
"12107. Great Lakes endorsements.
"12108. Fishery endorsements.
"12109. Recreational endorsements.".

46 USC 12111 note. (b) DOCUMENTATION SURRENDER AND INVALIDATION.—Section 12111(c)(3) of title 46, United States Code, does not apply to a mortgage that—

(3) was filed or recorded before January 1, 1989; and

(4) was not a preferred mortgage (as that term is defined in section 31301(6) of that title) on that date.

SEC. 302. VESSEL **IDENTIFICATION** SYSTEMS.

Chapter 125 of title 46, United States Code, is amended as follows:

(1) Section 12501(b)(2) is amended to read as follows:

"(2) identifying the owner of the vessel, including—

"(A) the owner's social security number; or

"(B) for an owner other than an individual—

"(i) the owner's taxpayer identification number; or

"(ii) if the owner does not have a taxpayer identification number, the social security number of an individual who is a corporate officer, general partner, or individual trustee of the owner and who signed the application for documentation or numbering for the vessel;"

(2) Section 12503(a)(2) is amended to read as follows:

"(2) identifies the owner of the vessel, including by—

"(A) the owner's social security number; or